Merced Irrigation District
Hydro Project Scheduling Coordinator Services
Request for Proposal

Facilities Committee
May 4, 2016
Background

- Merced Irrigation District (MID) has issued a request for proposals for Hydro Project Scheduling Coordinator Services

- Description of Project:
  - New Exchequer
    - 94 MW
    - Energy, Operating Reserves, Regulation Services
  - McSwain Powerhouse
    - 9 MW
    - Energy; run-of-river
  - Merced Falls Powerhouse
    - 3.5 MW
    - Energy, run-of-river
Scope of Services

- Primary Scope of Services
  - MID CAISO SC Registration
  - Scheduling Coordinator Resource Transition
  - Scheduling and Bidding Services
    - Development and submission of energy and ancillary service bids
  - Outage Coordination
  - Dispatch Management
    - Limited to communicating CAISO instructions to plant
    - Does not include project monitoring and dispatch
- Settlement Services
- Regulatory Services
Contract Terms

- Seeking services for initial term of five (5) years
- Effective date of service
  - New Exchequer
    - July 1, 2017
  - McSwain Powerhouse
    - July 1, 2017
  - Merced Falls Powerhouse
    - Fall 2016
- Proposer must meet specific qualifications
  - NCPA currently meets all of the required qualifications
Enhanced Scope of Services

- In addition to the primary scope of services formally requested, MID has also expressed a strong interest in the following services:
  - 24 x 7 Control Center Services
  - Certain Generator Operator (GOP) Reliability Standard Compliance Services
- MID staff have indicated prospective suppliers willing to provide such enhanced services is very limited
- NCPA’s ability to provide Control Center Services and select GOP Reliability Standard Compliance Services may provide NCPA with a competitive advantage
Proposal to Offer Services

- NCPA believes it can successfully provide the services requested by MID without adding additional staff

Service Offer Proposal:

  - Cost of Services - $390,000 per year
    - Based on FY 2017 Nexant Cost Allocation Model
    - Escalated at 2% per year for the term of the contract
    - Pass through of physical communication investments

- Scope of Services
  - Scheduling Agent Services
  - Control Center Services
  - Reliability Standard Compliance Services
  - Select Supplemental Services
    - Supplemental Services compensation based on time and materials
Modeling Assumptions

- **Cost of Service Modeling Assumptions**
  - **Resources**
    - New Exchequer – 94 MW
    - McSwain Powerhouse – 9 MW
    - Merced Falls Powerhouse – 3.5 MW
  - **Schedules**
    - 2,409 DA Schedules
    - 1,200 RT Schedules
  - **Direct Assignments**
    - 5% Direct Share of Prescheduling
  - **Integrated Systems**
    - Assigned a total of four (4) IT Factors
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<th>Member</th>
<th>FY 2017 Power Mgmt Cost (With MID)</th>
<th>FY 2017 Power Mgmt Cost (No MID)</th>
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Staff Recommendation

- NCPA seeks the following Facilities Committee recommendation:
  - Authorize NCPA to submit a proposal to provide services to MID
- Services include:
  - Scheduling Agency Services
  - Control Center Services
  - Reliability Standard Compliance Services
  - Supplemental Services
- Cost of Service
  - $390,000 per year, escalated at a rate of 2% per year for the term of the agreement
  - Pass through of physical communication investments
  - Supplemental Services charged based on time and materials
Questions / Comments